

For bioterrorism, to protect our Nation from this growing threat, which we hope the Senate will complete this week.

The terrorist attacks pushed an already struggling economy into a recession. The House responded by passing an economic stimulus package. Unfortunately, the other body was unable to pass similar legislation. Our bill was a fair and balanced bill that would have helped workers who lost their jobs keep their health insurance. Most importantly, it would have helped those workers get back to work. It looks today that the other body will not complete work on our legislation. I think that is a shame.

One of the biggest frustrations this year has been the lack of production from our friends on the other side of the Rotunda. The House has led the way in implementing the President's agenda, but on too many occasions the Senate has dropped the ball.

Here is the long list of items that passed this House but that the Senate has left for next year:

We passed the President's faith-based initiative, to give religious organizations the same rights as other groups to use Federal funds to help America's less fortunate.

We passed a comprehensive energy bill to step up energy production here at home, reduce our reliance on foreign sources of energy, and make energy cleaner and cheaper and more dependable for years to come. Not only does this bill set us on a more secure road for the future, it helps our economy by creating another 700,000 American jobs.

We passed a bill that banned human cloning for reproduction and research to uphold the sanctity of life, as well as the Unborn Victims of Violence Act, which makes it a Federal crime to harm or kill an unborn child during a violent attack against a pregnant woman.

We passed Trade Promotion Authority for our President so that he could open new world markets for American goods and services, grow our economy, and open up 1 million new jobs by the year 2006.

We passed election reform, to restore the American public's confidence in the democratic process and ensure that America's voting system is the very best in the world.

Clearly, the other body has much work to do in the next session of the 107th Congress. We also must complete action on the President's issue that he said in his election that he wanted every American to have access to health care. The Patients' Bill of Rights legislation was passed in this House earlier this year.

□ 1415

The bill has been stuck in conference since August. It is time to get that legislation finished. The bill we passed in August aims to improve care to expand patient protections, make health care more affordable for the many families

that lack coverage, and hold HMOs accountable, allowing patients to challenge their insurance plans if they fail to deliver quality coverage.

We will have other initiatives. We must authorize the historic Welfare Reform Act, first passed in 1996. We will consider proposals to strengthen retirement security, including making prescription drugs more affordable and available to America's seniors.

We must also help our President in this historic fight against terrorism. Whether it be providing more resources for homeland security and getting more money for our armed services, whether it be the effort to prepare our Nation for biological and chemical terrorism, or our efforts to reform our insurance laws so that our Nation will be adequately prepared for the consequences of terrorist attacks, this Congress will do the right things for the American people.

Looking over the events of this last year, I cannot help but note the passing of several important Members of Congress: Joe Moakley, a great American from Massachusetts; Norm Sisisky, a wonderful person who served this House from Virginia; Floyd Spence, from South Carolina; and Julian Dixon, from California, all served their country with distinction, in different ways, but with the same sense of patriotic duty. They will be sorely missed in this House of Representatives.

In conclusion, let me report to you, Mr. Speaker, that this House of Representatives has served the people in a year of turbulence and war with distinction. I am proud of our efforts, and I look forward to an equally successful year in the second session of the 107th Congress.

Mr. Speaker, I would be remiss if I did not thank the people who make this Congress work, who are here day in and day out, in the wee hours of the morning, who enroll our bills, who make this institution a great institution; and also those people who in the times of terror and terrorist attack spent countless hours and days and weeks making this place available to the American people so that this Congress could do its work. I thank you.

God bless America.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment a bill and a concurrent resolution of the House of the following titles:

H.R. 1088. An act to amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes.

H. Con. Res. 295. Concurrent resolution providing for the sine die adjournment of the first session of the One Hundred Seventh Congress.

The message also announced that the Senate agreed to the report of the com-

mittee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3061) "An Act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes."

#### RECESS

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 19 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1702

#### AFTER RECESS

The recess having expired, the House was called to order at 5 o'clock and 2 minutes p.m.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed with an amendment to House amendment to Senate amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2884. An act to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States on September 11, 2001.

The message also announced that the Senate agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3338) "An Act making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes."

#### GENERAL LEAVE

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the topic of the out-of-order speech of the gentlewoman from California (Ms. PELOSI).

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

#### CONDITIONAL ADJOURNMENT OF THE HOUSE AND SENATE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 4 p.m. on Friday, December 21, 2001, unless it sooner has received a message from the Senate transmitting its passage without amendment of House Joint Resolution 79, in which case the House shall stand adjourned

sine die pursuant to House Concurrent Resolution 295.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## VICTIMS OF TERRORISM RELIEF ACT OF 2001

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2884) to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States on September 11, 2001, with a Senate amendment to the House amendment to the Senate amendments thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment, as follows:

Senate Amendment to House Amendment to Senate Amendments:

In lieu of the matter proposed to be inserted by the House amendment to the text of the bill, insert:

### SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Victims of Terrorism Tax Relief Act of 2001".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; etc.

### TITLE I—VICTIMS OF TERRORISM TAX RELIEF

#### Subtitle A—Relief Provisions for Victims of Terrorist Attacks

Sec. 101. Income taxes of victims of terrorist attacks.

Sec. 102. Exclusion of certain death benefits.

Sec. 103. Estate tax reduction.

Sec. 104. Payments by charitable organizations treated as exempt payments.

Sec. 105. Exclusion of certain cancellations of indebtedness.

#### Subtitle B—Other Relief Provisions

Sec. 111. Exclusion for disaster relief payments.

Sec. 112. Authority to postpone certain deadlines and required actions.

Sec. 113. Application of certain provisions to terrorist or military actions.

Sec. 114. Clarification of due date for airline excise tax deposits.

Sec. 115. Treatment of certain structured settlement payments.

Sec. 116. Personal exemption deduction for certain disability trusts.

### TITLE II—DISCLOSURE OF TAX INFORMATION IN TERRORISM AND NATIONAL SECURITY INVESTIGATIONS

Sec. 201. Disclosure of tax information in terrorism and national security investigations.

### TITLE III—NO IMPACT ON SOCIAL SECURITY TRUST FUNDS

Sec. 301. No impact on social security trust funds.

### TITLE I—VICTIMS OF TERRORISM TAX RELIEF

#### Subtitle A—Relief Provisions for Victims of Terrorist Attacks

#### SEC. 101. INCOME TAXES OF VICTIMS OF TERRORIST ATTACKS.

(a) IN GENERAL.—Section 692 (relating to income taxes of members of Armed Forces on death) is amended by adding at the end the following new subsection:

"(d) INDIVIDUALS DYING AS A RESULT OF CERTAIN ATTACKS.—

"(1) IN GENERAL.—In the case of a specified terrorist victim, any tax imposed by this chapter shall not apply—

"(A) with respect to the taxable year in which falls the date of death, and

"(B) with respect to any prior taxable year in the period beginning with the last taxable year ending before the taxable year in which the wounds, injury, or illness referred to in paragraph (3) were incurred.

"(2) \$10,000 MINIMUM BENEFIT.—If, but for this paragraph, the amount of tax not imposed by paragraph (1) with respect to a specified terrorist victim is less than \$10,000, then such victim shall be treated as having made a payment against the tax imposed by this chapter for such victim's last taxable year in an amount equal to the excess of \$10,000 over the amount of tax not so imposed.

"(3) TAXATION OF CERTAIN BENEFITS.—Subject to such rules as the Secretary may prescribe, paragraph (1) shall not apply to the amount of any tax imposed by this chapter which would be computed by only taking into account the items of income, gain, or other amounts attributable to—

"(A) deferred compensation which would have been payable after death if the individual had died other than as a specified terrorist victim, or

"(B) amounts payable in the taxable year which would not have been payable in such taxable year but for an action taken after September 11, 2001.

"(4) SPECIFIED TERRORIST VICTIM.—For purposes of this subsection, the term 'specified terrorist victim' means any decedent—

"(A) who dies as a result of wounds or injury incurred as a result of the terrorist attacks against the United States on April 19, 1995, or September 11, 2001, or

"(B) who dies as a result of illness incurred as a result of an attack involving anthrax occurring on or after September 11, 2001, and before January 1, 2002.

Such term shall not include any individual identified by the Attorney General to have been a participant or conspirator in any such attack or a representative of such an individual."

(b) CONFORMING AMENDMENTS.—

(1) Section 5(b)(1) is amended by inserting "and victims of certain terrorist attacks" before "on death".

(2) Section 6013(f)(2)(B) is amended by inserting "and victims of certain terrorist attacks" before "on death".

(c) CLERICAL AMENDMENTS.—

(1) The heading of section 692 is amended to read as follows:

#### "SEC. 692. INCOME TAXES OF MEMBERS OF ARMED FORCES AND VICTIMS OF CERTAIN TERRORIST ATTACKS ON DEATH."

(2) The item relating to section 692 in the table of sections for part II of subchapter J of chapter 1 is amended to read as follows:

"Sec. 692. Income taxes of members of Armed Forces and victims of certain terrorist attacks on death."

(d) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable

years ending before, on, or after September 11, 2001.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendments made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

#### SEC. 102. EXCLUSION OF CERTAIN DEATH BENEFITS.

(a) IN GENERAL.—Section 101 (relating to certain death benefits) is amended by adding at the end the following new subsection:

"(i) CERTAIN EMPLOYEE DEATH BENEFITS PAYABLE BY REASON OF DEATH OF CERTAIN TERRORIST VICTIMS.—

"(1) IN GENERAL.—Gross income does not include amounts (whether in a single sum or otherwise) paid by an employer by reason of the death of an employee who is a specified terrorist victim (as defined in section 692(d)(4)).

"(2) LIMITATION.—

"(A) IN GENERAL.—Subject to such rules as the Secretary may prescribe, paragraph (1) shall not apply to amounts which would have been payable after death if the individual had died other than as a specified terrorist victim (as so defined).

"(B) EXCEPTION.—Subparagraph (A) shall not apply to incidental death benefits paid from a plan described in section 401(a) and exempt from tax under section 501(a).

"(3) TREATMENT OF SELF-EMPLOYED INDIVIDUALS.—For purposes of paragraph (1), the term 'employee' includes a self-employed individual (as defined in section 401(c)(1))."

(b) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending before, on, or after September 11, 2001.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendments made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

#### SEC. 103. ESTATE TAX REDUCTION.

(a) IN GENERAL.—Section 2201 is amended to read as follows:

#### "SEC. 2201. COMBAT ZONE-RELATED DEATHS OF MEMBERS OF THE ARMED FORCES AND DEATHS OF VICTIMS OF CERTAIN TERRORIST ATTACKS.

"(a) IN GENERAL.—Unless the executor elects not to have this section apply, in applying sections 2001 and 2101 to the estate of a qualified decedent, the rate schedule set forth in subsection (c) shall be deemed to be the rate schedule set forth in section 2001(c).

"(b) QUALIFIED DECEDENT.—For purposes of this section, the term 'qualified decedent' means—

"(1) any citizen or resident of the United States dying while in active service of the Armed Forces of the United States, if such decedent—

"(A) was killed in action while serving in a combat zone, as determined under section 112(c), or

"(B) died as a result of wounds, disease, or injury suffered while serving in a combat zone (as determined under section 112(c)), and while in the line of duty, by reason of a hazard to which such decedent was subjected as an incident of such service, and

"(2) any specified terrorist victim (as defined in section 692(d)(4)).